

Expedited Bill No. 41-09
Concerning: Taxation - Property Tax
Credit – Business Incubator
Revised: 6-19-09 Draft No. 2
Introduced: November 9, 2009
Expires: May 9, 2011
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the request of the County Executive

AN EXPEDITED ACT to create a property tax credit for property used as a publicly sponsored business incubator.

By adding:

Montgomery County Code
Chapter 52, Taxation
Section 52-18S

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec 1. Section 52-18S is added as follows:

52-18S. Property Tax Credit –publicly sponsored business incubator.

(a.) In this section “business incubator” has the meaning in the State law which authorizes this property tax credit.

(b) The Director of Finance must allow a tax credit, as authorized by State law, to a taxpayer against all County property tax and special area tax imposed on property that is used as a business incubator if the State, the County, a municipality, an organization that is exempt from taxation under §501(c)(3) of the Internal Revenue Code, a public institution of higher education, or an agency or instrumentality of the State:

(1) owns, controls, or leases the space that is used as a business incubator;

(2) provides at least 50% of the total funding received by the business incubator from all sources, not including rents received from incubator tenant firms; or

(3) is represented on the governance board that approves the annual budget of the business incubator.

(c) The tax credit under this Section must continue as long as the property meets one or more criteria listed in subsection (b).

(d) The Department of Finance must administer this credit.

(e) The taxpayer must apply for the tax credit by the first day of March before the tax year when the tax credit would be allowed. An application must be filed on forms that the Department prescribes. The applicant must submit any supporting document, information, or certification required by the Department.

(f) Any taxpayer aggrieved by a decision of the Director to grant or deny a credit under this Section may appeal that decision to the Maryland Tax

Court. Each appeal must be filed within 30 days after the taxpayer receives written notice of the decision from the Director.

(g) The County Executive may adopt regulations under method (2) to administer this Section.

(h) The County Executive must report annually to the County Council on the use of this tax credit.

(i) (1) A person must not knowingly file a false or fraudulent application to obtain a tax credit under this Section. A violation of this subsection is a class A violation.

(2) In addition to the penalties provided under paragraph (1), a person who violates this subsection must pay the County any taxes, together with interest and penalties, offset by the credit, any other penalty due, and the County's fees and costs in any action to enforce this subsection.

Sec. 2. Expedited Effective Date.

The Council declares that this Act is necessary for the immediate protection of the public interest. This Act takes effect on the date when it becomes law.

Approved:

Philip M. Andrews, President, County Council

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date